## REMARKS

Claims 2-4, 6-24, and 26-46 were pending. Claims 2-3, 6-7, 9-24, 26-30, 35, and 39-45 stand rejected. Claims 4, 8, 31-34, 36-38, and 46 were objected to. Claims 2-4, 6-11, 14-24, 26-28, 31-36, 38-39, and 42-46 have been amended. Claims 2-4, 6-24, and 26-46 are pending upon entry of this amendment.

The specification has been amended to update the status of U.S. Ser. No. 08/904,784.

No new matter has been added.

When the application was filed on August 31, 1998, it contained three claims. On January 4, 2000, Applicants filed a preliminary amendment that cancelled claim 1 and added new claims 2-38. Applicants would like to clarify that the preliminary amendment was meant to cancel claims 1-3 and add new claims 4-40. Applicants suggest that the numbering used in the preliminary amendment (and subsequent office actions) continue to be used. However, if the Examiner wishes, Applicants can renumber the claims.

## Claim 2

Claims 2 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over Jang in view of Hou. Applicants respectfully traverse. As amended, claim 2 recites:

A method, provided by an institutional telephone system, of managing telephone activity between a calling party and a called party, wherein the calling party is an institutional party and the called party is a non-institutional party, the method comprising:

providing an account for the calling party, wherein the account comprises calling party entitlements, at least some entitlements based on the calling party's class;

creating an institutional communication connection with an institutional terminal following initiation by the calling party, wherein the institutional communication connection comprises an external communication request from the calling party, the communication request sufficient to

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establish communication between the calling party and the called party;

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identifying the calling party;

analyzing the external communication request received from the calling party to determine its called party parameters;

comparing the called party parameters to the calling party entitlements to determine whether the calling party is entitled to communicate with the called party and denying the external communication request if the comparing returns a negative result; and

determining whether the account is active and denying the external communication request if the determining returns a negative result.

Claim 2 is directed to a method provided by a telephone system of an institution. An institution can be, for example, a prison, school, or business. The method of claim 2 is further directed to managing telephone activity between a calling party and a called party, wherein the calling party is an institutional party and the called party is a non-institutional party. In other words, the calling party is using an institutional terminal of the institutional telephone system to call a party who is external to the institutional telephone system.

Claim 2 recites, in part, "creating an institutional communication connection with an institutional terminal following initiation by the calling party, wherein the institutional communication connection comprises an external communication request from the calling party, the communication request sufficient to establish communication between the calling party and the called party."

Applicants agree with the Examiner that Jang does not disclose, teach, or suggest this claimed element.

Hou does not remedy this deficiency of Jang. Hou describes automated telephone services employing automatic speech recognition (1:10-11). For example, Hou describes a subscriber placing a call to a Voice Directed Communications System 100 via a public

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communications network 200 (2:22-40; Fig. 1). The VDCS 100 can then place an outgoing telephone call and interconnect this call with the subscriber's incoming call (3:32-42; 12:11-13).

Although Hou describes how a subscriber can use the VDCS 100 to make a phone call, Hou does not disclose, teach, or suggest that this action occurred in an institutional setting. In particular, Hou does not disclose, teach, or suggest that the calling party (in Hou, the subscriber) is an institutional party using an institutional terminal to call a non-institutional party. Thus, Hou does not disclose, teach, or suggest the claimed element "creating an institutional communication connection with an institutional terminal following initiation by the calling party, wherein the institutional communication connection comprises an external communication request from the calling party, the communication request sufficient to establish communication between the calling party and the called party."

Accordingly, for at least the reasons stated above, claim 2 is patentable over Jang in view of Hou. Additionally, for the record, Applicants traverse the Examiner's assertions concerning the motivation to combine Jang and Hou.

## Claim 39

Regarding claim 39 as amended, it recites:

A system for managing institutional telephone activity between a calling party and a called party, wherein a calling party is an institutional party and a called party is a non-institutional party, comprising:

an interface component configured to accept an external communication request from a calling party, the communication request having at least one called party parameter, and the communication request sufficient to establish communication between the calling party and the called party;

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a database storing a plurality of accounts associated with calling parties, each account storing permissible calling party parameters for each calling party, wherein at least some calling party parameters are based on the calling party's class; and a screening component in communication with the interface component and the database, configured to read each external communication request, query the database for the permissible calling party parameters associated with the calling party and determine whether at least one called party parameter is a permissible calling party parameter and configured to determine whether the calling party has an active account, the screening component denying the calling party's external communication request if the active account determination returns a negative result.

Claim 39 is directed to a system for managing institutional telephone activity. An institution can be, for example, a prison, school, or business. The system of claim 39 is further directed to managing institutional telephone activity between a calling party and a called party, wherein a calling party is an institutional party and a called party is a non-institutional party. In other words, the calling party is using the institutional telephone system to call a party who is external to the institutional telephone system.

Claim 39 recites, in part, "an interface component configured to accept an external communication request from a calling party, the communication request having at least one called party parameter, and the communication request sufficient to establish communication between the calling party and the called party."

Applicants agree with the Examiner that Jang does not disclose, teach, or suggest this claimed element.

Hou does not remedy this deficiency of Jang. Although Hou describes how a subscriber can use the VDCS 100 to make a phone call, Hou does not disclose, teach, or suggest that this action occurred in an institutional setting. In particular, Hou does not disclose, teach, or suggest that an <u>institutional</u> calling party (in Hou, the subscriber) is

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making an "external communication request" to communicate with a non-institutional called party. Thus, Hou does not disclose, teach, or suggest the claimed element "an interface component configured to accept an external communication request from a calling party, the communication request having at least one called party parameter, and the communication request sufficient to establish communication between the calling party and the called party."

Accordingly, for at least the reasons stated above, claim 39 is patentable over Jang in view of Hou. Additionally, for the record, Applicants traverse the Examiner's assertions concerning the motivation to combine Jang and Hou.

## Claim 35

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Claim 35 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over Hou in view of Reuss. Applicants respectfully traverse. Regarding claim 35 as amended, it recites:

A method, provided by an institutional telephone system, of managing telephone activity, between a calling party and a called party, wherein the calling party is an institutional party and the called party is a non-institutional party, the method comprising:

providing a plurality of institutional terminals, a plurality of telephone lines, an administrative database, and an administrative interface, wherein the database comprises an individual account for each calling party and wherein each account provides individual entitlements to the calling party;

placing a communication request to the called party from one of the institutional terminals by the calling party, wherein the placing comprises entering numeric data into one of the institutional terminals;

accepting the communication request; identifying the calling party; analyzing the communication request to determine parameters; comparing the parameters with entitlements; and conditionally establishing communication between the called party and the calling party.

Claim 35 is directed to a method provided by an institutional telephone system. An institution can be, for example, a prison, school, or business. The method of claim 35 is further directed to managing telephone activity, between a calling party and a called party, wherein the calling party is an institutional party and the called party is a non-institutional party. In other words, the calling party is using an institutional terminal of the institutional telephone system to call a party who is external to the institutional telephone system.

Claim 35 recites, in part, "placing a communication request to the called party from one of the institutional terminals by the calling party, wherein the placing comprises entering numeric data into one of the institutional terminals."

In an interview that occurred on October 7, 2003, the Examiner and an Attorney for Applicants agreed that Reuss did not disclose, teach, or suggest the claimed element "placing a communication request to the called party from one of the calling terminals by the calling party, wherein the placing comprises entering numeric data into one of the calling terminals." This interview was summarized by Applicants in a response filed on October 29, 2003. Applicants agree with the Examiner that Reuss does not disclose, teach, or suggest "placing a communication request to the called party from one of the institutional terminals by the calling party, wherein the placing comprises entering numeric data into one of the institutional terminals."

Hou does not remedy this deficiency of Reuss. Although Hou describes how a subscriber can use the VDCS 100 to make a phone call, Hou does not disclose, teach, or suggest that this action occurred in an institutional setting. In particular, Hou does not disclose, teach, or suggest that an <u>institutional</u> calling party (in Hou, the subscriber) is using an <u>institutional</u> terminal to make a communication request to communicate with a <u>non-</u>

institutional called party. Thus, Hou does not disclose, teach, or suggest the claimed element "placing a communication request to the called party from one of the institutional terminals by the calling party, wherein the placing comprises entering numeric data into one of the institutional terminals."

Accordingly, for at least the reasons stated above, claim 33 is patentable over Hou in view of Reuss. Additionally, for the record, Applicants traverse the Examiner's assertions concerning the motivation to combine Hou and Reuss.

The claims not specifically mentioned above, including claims 3, 6-7, 11-16, 21, 24, 26-28, 39-42, and 44-45 (which stand rejected under 35 U.S.C. § 103(a) as being unpatentable over a hypothetical combination of Jang and Hou), claims 9-10 (which stand rejected under 35 U.S.C. § 103(a) as being unpatentable over a hypothetical combination of Jang, Hou, and Morganstein), and claims 17-20 and 22-23 (which stand rejected under 35 U.S.C. § 103(a) as being unpatentable over a hypothetical combination of Jang, Hou, and Howe), and claims 29-30 and 43 (which stand rejected under 35 U.S.C. § 103(a) as being unpatentable over a hypothetical combination of Jang, Hou, and Matchett), incorporate the features of their respective base claims and are patentable for at least the same reasons.

Applicants respectfully traverse the rejection of these claims at least because, as explained above, they fail to disclose recited features of Applicants' claimed invention. Additionally, for the record, Applicants traverse the Examiner's assertions concerning the disclosures of Jang, Hou, Morganstein, Howe, and Matchett and the motivation to combine Jang and Hou; Jang, Hou, and Morganstein; Jang, Hou, and Howe; and Jang, Hou, and Matchett.

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Applicants respectfully submit that the pending claims are now allowable over the cited art of record and request that the Examiner allow this case. The Examiner is invited to contact the undersigned in order to advance the prosecution of this application.

RESPECTFULLY SUBMITTED, Jay L. Gainsboro et al.

Date: 12-22-04

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